

Downtown Muskegon Business Improvement District

Meeting Agenda

August 18, 2015

380 W. Western Ave., Suite 202 Muskegon, MI at 4PM

- 1) Call to Order
- 2) Consent Agenda
 - a) Approval of Agenda
 - b) Approval of Minutes from the July 22, 2015 Meeting
- 3) Public Comment (on an agenda item)
- 4) Unfinished Business
 - a) Follow up on questions from July 22 Meeting
 - b) Budget/Assessment Recommendation for 2016 (two attachments)
- 5) New Business
- 6) Other Business
- 7) Adjournment

Downtown Muskegon Business Improvement District

Meeting Minutes

July 22, 2015

380 W. Western Ave., Suite 202 Muskegon, MI at 4PM

- 1) Call to Order: 4:02PM
- 2) Attendance:
 - a) Doug Pollock (Chair), Bruce Lindstrom, John Riegler, Connie Taylor, Bob Tarrant, Mike Hennessy, Gary Post

Excused Absents: Justin Clark (military leave), Frank Peterson (personal)

3) Consent Agenda

- a) Approval of Agenda

Motion: Bruce Lindstrom

Support: Connie Taylor

Vote: All in favor

- b) Approval of Minutes from the May 20, 2015 Meeting

Motion: John Riegler

Support: Bruce Lindstrom

Vote: All in favor

- 4) Public Comment (on an agenda item) – The board chose to leave the floor open for the whole meeting allowing attendees to participate as they like.

5) Unfinished Business

- a) Setting Meeting Schedule (memo 1)

It was motioned that a rotation of 3rd Tuesdays every other month for board meetings be selected for the remainder of 2015 (starting 9/15/15) and all of 2016. Meetings will be at 4PM.

Motion: Connie Taylor

Support: Bob Tarrant

Vote: All in favor

6) New Business

- a) Discussion/recommendation of BID assessment/services (see memo 2)

Chair Pollock and staff recapped a meeting they had with City of Muskegon staff regarding next steps and logistics for the BID/BID Assessment. Several issues arose from the meeting:

- Two addition special meetings will need to be held before the assessment goes into place
- The minimum assessment should be reconsidered
- City staff indicated that only one billing per year should/could be done
- City staff recommended a multiyear assessment
- There needed to be more explanation of the marketing and service to be provided

Special Meeting/Next Steps Overview:

Staff went over next steps as laid out by the city regarding establishing the special assessment. There will need to be two additional special meetings. The first would be to let property owners know that a special assessment district is being recommended and noting the services which will be provided by the district. There will need to be a two week notice for this special meeting as well as a mailing. The special meeting would be held on the same day as a City Commission meeting.

Following that special meeting, the assessment recommendation would be forwarded to the assessor's office for a review of reasonableness and to formally determine what each property owner's assessment would be. A second mailing would then occur notifying the property owners of their individual assessment and providing them an opportunity to respond to the assessment at a second special meeting.

Minimum Assessment:

Staff explained the city's concern about the minimum assessment, which at the root was essentially by implementing a minimum those who are assessed the minimum will be paying a higher price per square foot. There was support from the board about eliminating the minimum and just doing a straight assessment up to the cap. Staff was asked how many properties fell into the minimum assessment and for an example of how much this changed a property's assessment.

Staff noted there were approximately two dozen properties within the BID which would be impacted by the minimum assessment and that in a few instances the assessment more than doubled what an assessment would be based on the square foot formula. Staff then also pointed out that if the minimum were eliminated it would be a total decrease in the overall assessment collection of about \$2,700.

Chair Pollock noted he was in support of eliminating the minimum since this looks to be a manageable reduction and it would ensure property owners were on an even playing field.

Visitor Alan Jager said he was conflicted about if that's the best because with other services there could be of bigger benefit to those paying the lower assessment.

Gary Post asked about how the square footage was arrived at. Staff let him know it was with the county's assessing software.

Visitor Alan Jager asked about the alleys – staff let him know that most alleys in the downtown are owned and maintained by the individual condo associations and or privately maintained.

There was a motion to eliminate the minimum assessment and do a straight assessment up to the cap of \$3,000.

Motion: Connie Taylor
Support: Bob Tarrant
Vote: All voted in favor

Number of Billings Annually:

Chair Pollock asked, in light of the meeting with city staff, if it was a dead issue on two billings or could this be explored further?

Staff thought this matter could be explored further.

There was a consensus among board members that the assessment should be broken up into two billings as this would make it easier for property owners to plan for the cost of the new assessment.

- Staff was asked to work with city staff on doing two billings, rather than the one winter assessment. The board is very much interested in two billings

Multi-year assessment:

During the meeting with city staff it was pointed out that these assessments could be implemented for a period between 1 and 5 years. City staff recommended that the BID Board consider doing a multiyear assessment. Primary reason being is, even if the same assessment level is recommended for a subsequent year the same public notification process will need to be followed as it will technically be a new assessment.

Board members John Riegler and Gary Post indicated support to keep a one year assessment for the first year and then look at the possibility of doing a multi-year assessment after that. There was concern that if the endeavor wasn't a success and/or the assessment level didn't prove to be adequate (or too much) that we could find ourselves stuck until that assessment expired. This would allow for more flexibility, even if it were a more complicated process.

Visitor Alan Jager said he was actually more in support of a multi-year assessment to keep things tighter and allow for planning. He was concerned that if it's a year-to-year assessment it could go up more quickly.

Chair Pollock thought that we've set the budget following the two worst winters and that we might actually have too much money set aside for snow removal – but it was better to set aside monies based on the past two winters in this instance.

There was a general consensus among board members to keep this at one year to start. Because this wasn't a change from the past recommendation, no formal vote was taken.

Marketing & Services:

Staff was instructed by the board to “beef up” the explanation of the services and marking that was to be done with BID funds and have that presented to the board at their next board meeting.

7) Other Business

Motion for a special board meeting on Tuesday, Aug. 18, 4PM
This will be a special meeting (not previously set in the rotation)

Motion: Bob Tarrant

Support: Connie Taylor

Vote: All in Favor

8) Adjournment

4:47PM

Motion: Gary Post

Support: Bruce Lindstrom

No Objection

Downtown Muskegon Business Improvement District

2016 Assessment

Regarding: Assessment for 2016

Date: August 2015

To: Downtown Muskegon BID Board

From: Staff

Overview:

Following a review of requested and needed services within the Downtown Muskegon Business Improvement District, the BID Board recommends to the Muskegon City Commission the following **1 YEAR** assessment be established for the 2016 calendar year.

2016 Assessment

- "Class A" Properties, as defined in the BID Bylaws, shall be assessed an annual assessment of \$0.08/sf with no assessment to exceed \$3,000. Contiguous properties with the same use and same owner shall be assessed as one property. Property lot size on record with the County Assessor shall be used in determining the square footage of properties.
 - o In the instance of a condo property the master deed shall be used in determining the percent of the assessment that an individual property owner would be assessed.
- "Class B" properties as defined in the BID Bylaws be assessed an annual assessment of \$0.02/sf with no assessment to exceed \$3,000. Contiguous properties with the same use and same owner shall be assessed as one property. Property lot size on record with the County Assessor shall be used in determining the square footage of properties.
- Based on this assessment structure, approximately \$128,500 can expected to be collected for services to support businesses and property owners within the BID.
(*A budget recommendation & explanation is attached)
- The assessment shall be evenly split into two billings to be due in early and mid-2016.

Assessment Vote:

Member	Yes	No	Abstention	Motion/Support	Absent
Chair Doug Pollock					
VC Justin Clark					
Bruce Lindstrom					
John Riegler					
Gary Post					
Frank Peterson					
Connie Taylor					
Mike Hennessy					
Bob Tarrant					

Downtown Muskegon Business Improvement District

Budget Recommendation & Explanation

Date: August, 2015

To: Downtown Muskegon BID Board

From: Staff

Budget Recommendation:

Based on a two tier assessment where "Class A" Properties pay \$0.08/sf annual and "Class B" Properties pay \$0.02/sf annual the Downtown Muskegon BID can expect to bring in \$128,467.36 during 2016. Based on this Assessment the below budget is recommended.

2016 Downtown Muskegon BID Budget	
Downtown Beautification/Enhancements	
Spring/Fall Clean-up & Summer Landscaping	\$ 16,000.00
Holiday Decorating	\$ 2,500.00
Banners & Directional Signs	\$ 7,000.00
Snowplowing & Salt	\$72,000.00
Marketing, Advertising & Development	
Advertising/Marketing & Events	\$ 24,000.00
Art	\$ 2,000.00
Reserve Funds	\$4,967.36
Total	\$ 128,467.36

Budget Explanation:

Downtown Beautification/Enhancements

Spring/Fall Clean-up & Summer Landscaping

The Downtown Muskegon BID will contract with one of more third party landscaping companies to conduct a spring cleanup of common area planning beds within the BID, and general cleanup of grounds as a result from winter wear and tear. Summer Landscaping includes the wedding and fertilization of common areas throughout the BID (grass cutting is done by the city). This line item also includes the planting and maintenance of flower planters throughout the BID (this item could be completed by a different vendor than the one doing the landscaping and clean up). Fall clean-up will consist of removal of leaves from the BID district and preparation of the planning beds for the winter. Unused funds in this line items will be rolled over into the following year's landscaping budget.

Holiday Decorating

Funds in this line item will be used to purchase holiday decorations which can be displayed within the BID. These could be used to complement existing decorations in Hackley Park or expand displays to other areas of the BID. Unused funds in this line item will be rolled over into the following year's holiday decorating budget.

Banners & Directional Signs

In an effort to support exiting businesses and help downtown visitors navigate downtown, new directional signage (wayfinding) needs to be updated throughout the BID. Funds in this line item will be used to

update/create wayfinding and used to brand downtown. Unused funds in this line item will be rolled over into the following year's Banners & Directional Signs budgets.

Snowplowing & Salt

The BID's largest line item is dedicated to snowplowing and salt application along sidewalks within the BID where the majority of the Class A properties are located along portions of W. Western Ave., Clay Ave., Morris Ave., Terrace St., Jefferson, 1st, 2nd, 3rd, 6th & 7th Streets. Funds will also be used to clear parking areas which are generally used by the public – specifically the two lots between 2nd and 3rd Streets accessed off of Morris Ave. Unused funds in this line time will be rolled over into following years snowplowing budget.

Marketing, Advertising & Development

Advertising/Marketing & Events

In an effort to encourage new and repeat visitors to Downtown Muskegon funds will be dedicated to advertising Downtown Muskegon within the Muskegon metro area. Advertising will focus on billboards and web based advertising including, but not limited to, internet based advertising on various local/regional websites and Facebook. The BID will also look at partnering with existing campaigns and marketing efforts to try and leverage additional exposure for Downtown Muskegon. If possible, based on budget constraints, cable TV and Radio advertising could also be considered. Print advertising in specific tourism and/or trade based publications could also be considered based on budget restrictions.

The goal with this advertising and marketing effort is to inform the Greater Muskegon Community about the various shops, services, restaurants, activities and cultural amenities available in downtown Muskegon.

Portions of this budget will also be used to help create new downtown events or enhance existing events specifically designed to bring individuals into downtown Muskegon businesses. It is expected that some of these events will be partnerships with other downtown entities. Unused funds in this line item will be rolled over into the following year's advertising/marketing & events budget.

Art

A key aspect of a downtown experience is one's sense of place. A strong sense of place can encourage visitors to linger and explore longer. One way to achieve this sense of place is with public art. Other downtown partners, including the Community Foundation for Muskegon County, the City of Muskegon, The Muskegon Museum of Art (among others) have made a strong commitment to enhancing our downtown's public/community art. This can be seen in the historical downtown mural project and the various sculptures scattered throughout the downtown. This art serves as an additional draw to the downtown.

In an effort to support additional public art within the BID, this line item will be used to create a fund which will set aside monies each year and used to help create, support and/or enhance public art activities within downtown Muskegon – monies in this line item do not need to be spent each year. Funds would be distributed at the discretion of the BID Board with the understanding that the art funded in part or fully by the BID Art Fund be in free public areas of the downtown and displayed in a way that enhances the downtown experience.